Attorneys At Law 950 Third Avenue New York, New York 10022

TELEPHONE (212) 808-9100 FACSIMILE (212) 808-5536

September 11, 2007

William R. Hansen, Esq. Lathrop & Gage, L.C. 230 Park Avenue. Suite 1847 New York. New York 10169

PRIVILEGED AND CONFIDENTIAL

By Facsimile and Regular Mail

Re: Applied Technology Limited v. Watermaster of America, Inc

07 CV 6620 (LTS)

Dear Mr. Hansen:

As you are aware, I am counsel of record for Applied Technology Limited in the above-referenced action. I will be appearing in that action on behalf of Fetter & Henderson (Pty) Ltd. and John Fetter.

As you also are aware, Mr. Fetter and Fetter & Henderson (Pty) Ltd. were clients of yours. On or about September 7, 1999, you met with and counseled Mr. Fetter, in his individual capacity and in his capacity as a director of Fetter & Henderson (Pty) Ltd., regarding various aspects of their business activates and tax matters, in addition to certain immigration law questions regarding Mr. Fetter setting up residency in the United States. We understand that. during those meetings, you and attorneys who you engaged to assist you received privileged and confidential information of Mr. Fetter and Fetter & Henderson (Pty) Ltd., along with privileged and confidential information of Applied Technology Limited. Specifically, you received privileged and confidential information and opined regarding: the procedures used, under foreign laws, for Applied Technology Limited invoicing Watermaster of America, Inc. for products that Applied Technology Limited purchased from Fetter & Henderson (Pty) Ltd,; the procedures used by Applied Technology Limited and Fetter & Henderson (Pty) Ltd. for shipping products that Watermaster of America, Inc. purchased from Applied Technology Limited: the legality of what you now mischaracterize as a "royalty" payment by Applied Technology Limited to Watermaster of America, Inc.; the relationship between Mr. Fetter's United States immigration status and the business structure that Fetter & Henderson (Pty) Ltd. has been using to sell products to Applied Technology Limited for resale to Watermaster of America. Inc.; and payments by Watermaster of America, Inc. for products that it purchased from Applied Technology Limited. The subject matters of your representation of Mr. Fetter and Fetter &

William R. Hansen, Esq. Lathrop & Gage, L.C. September 11, 2007

JOHNSON & ASSOCIATES

Henderson (Pty) Ltd. and of the privileged and confidential information that you received bears substantial relationships – if not direct and identical relationships –- to the subject matters of the counterclaims that you have interposed on behalf of Watermaster of America, Inc. in this action.

Confirmation of your prior representation of Mr. Fetter and Fetter & Henderson (Pty) Ltd. and of the nature and scope of the privileged and confidential information that you received from Mr. Fetter and Fetter & Henderson (Pty) Ltd. is found in the enclosed statement for legal fees and disbursements, dated December 21, 1999, that you issued, in respect of which Mr. Fetter paid you the sum of \$6,567.60.

Therefore, we demand that you immediately withdraw as counsel of record for Watermaster of America, Inc. in the above-captioned action because the controlling case law requires you to do so. *Evans v. Artek Sys. Corp.*, 715 F.2d 788 (2d Cir. 1983); *Blue Planet Software, Inc. v. Games International, LLC*, 331 F.Supp.2d 273 (S.D.N.Y. 2004). Should you refuse to voluntarily withdraw, we shall expeditiously make an appropriate motion for your disqualification. Obviously, the contents of this letter are to be treated by you and Lathrop & Gage, L.C. as privileged and confidential, the same as the privileged and confidential information that you received from Mr. Fetter. Kindly confirm, at your earliest possible convenience, your intention to withdraw as counsel of record, so that we may jointly so advise the Court and ask her to set an appropriate time within which your client must retain new counsel.

Very truly yours,

Bank

BRUCE D. JOHNSON

Enclosure

Case 1:07-cv-06620-LTS-DCF Document 25-7 Filed 11/13/2007 Page 4 of 18

FROM : FETTER & HENDERSON PTY L1

FAX NO. :+27 11 463-2379

. Aug. 2007 10:03

12/27/1999 11:01

7278649201

WATERMASTER

PAGE 01/02

NIMS, HOWES, COLLISON, HANSEN & LACKERT

OLIVER P. HOWES, JR WILLIAM R. HANSEN CLARK W. LACKERT ELIZABETH ATKINS THOMAS H. CURTIN KEITH E. SHARKIN

605 THIRD AVENUE. SUITE 3500 NEW YORK, NEW YORK 10156

(2(2) 861-9700 FACSIMILE: (212) 661-9213 E-MAIL: NIMSONIMSLAW.COM

BERT A. COLLISON KAREN P. CLANCY IRVING N. STEIN AUGUST G. MARON BRUCE J. GROSSMAN ROBERT P. BCHWARTZ POBERT J. O'HARE OF COUNSEL

ROBERT L POWLEY HIGHLY L MINUSS ROBERT M. WASHOFSKI, JR LARRY H. TRONCO RICHARD P. GEDROET

WILLIAM J. SAPONE

December 21, 1999

Robert T. Morris, Jr. Watermaster of America, Inc. c/o Schink 400 East 77th Street, Apt. 6-E New York, NY 10021

- STATEMENT-

For services in connection with your corporate, patent and trademark matters in the period July 1, 1999 through November 30, 1999 including:

APPLICATIONS

Drafting Sections 8 and 15 for NETWORK WATERING SYSTEM (Reg. No. 1,845,449) drafting letter to client regarding same; drafting letter to client requesting specimens for NETWORK WATERING SYSTEMS; letter to Mr. Morris enclosing copy of Patent and Trademark Office Section 8 and 15 acceptance for WATERGENIUS, Regn. No. 1,816,738; reviewing Patent and Trademark Office acceptance of Section 8 and 15 for WATERGENTUS, drafting letter to client regarding same \$200.00

BATTERY WATERING AND "IEFFERSON PROJECT" PATENT MATTERS conducting Lexis for Patents Nos. 3938066 and 3928066, obtain copy of patent, forward to client, telephone conference with Mr. Morris regarding Jefferson Project; Receive package of material, study for opinion. Telephone conference with Mr. Morris regarding materials from John Fetter in South Africa, Continue review of material. Discuss material with Mr. Morris, work on preliminary claims. Receive additional material, review for preparation of claims. Work on opinion regarding claims conference with WJS regarding golf cart watering patent of J. Fitter, and Jefferson project, meeting with Mr. Fitter, WJS regarding patent issues; Review patent application, meet with Mr. Fitter and discuss patent procedures, review new technology for possible patent application issues with WJS, conduct research, prepare letter to client on ionic solvents, received claims, forwarding new

CARRIED FORWARD \$4,780.00



Mr. Robert T. Morris, Jr. Watermaster of America, Inc.

-2-

December 21, 1999

,		
BROUGHT FO	DRWARD	\$4,780.00
Receiving voice mail message from Mr. Cordy immigration and off shore businesses; telephone regarding scheduling, telephone conference with Mr. Cordy, a conference with Mr. Fitter regarding same; all meeting; telephone conference with Mr. Cordy with Mr. Fitter, all arranged, consideration to Fitter and his wife, Pamela, general discussion Emery with Joan Ellen Carpenter regarding in meeting at McDermott for teleconference with Garcia regarding tax and business issues relations.	ne conference with Mr. Morrisonth John Fetter regarding same arranging meeting, telephone travel arrangements made for y, all arranged, telephone confissues for meeting; meeting was, meeting at McDermott, Will namigration issues, notes, confer h Stuart Berkson, R.J. Cordy,	s e. 9/7 erence ith Mr. & erence. Adoli
Total Services.		\$8,280.00
Dishursements To Colby Attorney Servicefor furnishing certificate of Good Standing and filing application for Authority	\$3 67 .75	
To McDermott, Will & Emery in connection with December 9, 1999 meeting with Fetter	450.00	
LEXIS research	50.00	
Transportation for Mr. and Mrs. Fetter to McDermott, Will & Emery on September 7, 1	999 327.60	
Express courier charge		
Miscellaneous expenses including postage, telephone, stenographic overtime, facsimile		
and photocopy charges	239.50	1,445.56
		\$9,725.56

9913 56/dsg



ATTORNEYS AT LAW

950 THIRD AVENUE NEW YORK, NEW YORK 10022 TELEPHONE (212) 808-9100 FA©IMILE (212) 806-5536

This transmission is intended only for the use of the addressee and may contain privileged and confidential information. If you are not the intended recipient, you are hereby notified that any dissemination of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone at 212-808-9100. Thank you.

Date:

September 14, 2007

Total pages

5

Deliver to

William R. Hansen, Esq.

Firm/Company:

Lathrop & Gage, L.C.

Facsimile number:

(212) 850-6221

From:

Bruce D. Johnson, Esq.

Message

Attorneys At Law

950 Third Avenue New York, New York 10022 Telephone (212) 808-9100 Facsimile (212) 808-5536

September 14, 2007

William R. Hansen, Esq. Lathrop & Gage, L.C. 230 Park Avenue, Suite 1847 New York, New York 10169

By Facsimile Only

Re:

Applied Technology Limited v. Watermaster of America, Inc.

07 CV 6620 (LTS)

Dear Mr. Hansen:

We have just learned that you and Lathrop & Gage, L.C. are the attorneys of record for Applied Technology Limited with respect to registered trademark number 2847998, and have been so since at least December 30, 2004. Please see the attached printout from the United States Patent and Trademark Office's Internet site.

Applied Technology Limited *presently* is your client. You have sued your *present* without their consent. You are refusing to withdraw from a lawsuit in which you have sued one present client on behalf of another *present* client.

For those reasons, you and Lathrop & Gage, L.C. must withdraw as attorneys a record for Watermaster of America, Inc. in the above-referenced action *immediately*. Should was fear as so by the close of business on September 17, 2007, we shall immediately thereafter has hadge Swain to disqualify you and Lathrop & Gage, L.C. Furthermore, we believe that we are required to report your violations of, *inter alia*, Disciplinary Rule § 1200.24 (c) to the Departmental Disciplinary Committee of the Appellate Division, First Department.

Very truly yours,

BRUCE O. JOHNSON

Attachment

latest Status Info

Thank you for your request. Here are the latest results from the TARR web server.

This page was generated by the TARR system on 2007-09-14 11:49:33 ET

Serial Number: 76237497 Assignment Information Trademark Document Retrieval

Registration Number: 2847998

Mark (words only): MULTIFIL

Standard Character claim: No.

Current Status: Registered.

Date of Status: 2004-06-01

Filing Date: 2001-04-02

Transformed into a National Application: No

Registration Date: 2004-06-01

Register: Principal

Law Office Assigned: LAW OFFICE 110

if you are the applicant or applicant's attorney and have questions about this file, please contact

the Trademark Assistance Center at TrademarkAssistanceCenter@uspto.gov

Current Location: 900 -File Repository (Franconia)

Date in Location: 2004-06-22

LAST APPLICANT(S)/OWNER(S) OF RECORD

L. APPLIED TECHNOLOGY LTD.

Address:

APPLIED LECHNOLOGY LTD. P.O. Box 621 LeGallais Chambers, 54 Bath Street

St. Helier, Jersey JE4 8YD

United Kingdom

Legal Entity Type: Corporation

State or Country of Incorporation: United Kingdom

GOODS AND/OR SERVICES

International Class: 009 Class Status: Active

latest Stanls Info

Page 2 of 3

Buttery watering apparatus, namely, a battery watering device having several flow outlets to permit the epienishment of water of a secondary battery containing several cells by means of a unitary decise

First Use Date: 2003-02-07

First Use in Commerce Date: 2003-02-07

ADDITIONAL INFORMATION

NOT AVAILABLE)

MADRID PROTOCOL INFORMATION

NOT AVAILABLE)

PROSECUTION HISTORY

2004-12-30 - TEAS Change Of Correspondence Received

2004-06-01 - Registered - Principal Register

2004-03-22 - Allowed for Registration - Principal Register (SOU accepted)

2004-03-15 - Assigned To Examiner

2004-03-11 - Case File In TICRS

2004-03-08 Statement of use processing complete

2004-02-06 - Amendment to Use filed

10(4-02-06) TEAS Statement of Use Received

2003-08-2 - Extension 2 granted

2003-08-11 Extension 2 filed

2003-08-11 - IEAS Extension Received

2003-04-15 - Extension 1 granted

2003-02-10 - Extension 1 filed

2003-02-10 TEAS Extension Received

2002-09-10 - TEAS Change Of Correspondence Received

2002-08-1 Notice of allowance - mailed

2002-05-21 Published for opposition

(002-)5-0) Notice of publication

1001-12-21 - Approved for Pub - Principal Register (Initial exam)

1001-10-12 Communication received from applicant

1001-08-08 - Non-final action mailed

2001-07-23 - Assigned To Examiner

ATTORNEY/CORRESPONDENT INFORMATION

Attorney of Record

William R. Hansen

Correspondent

William R. Hansen Lathrop & Gage L.C. Suite 1847 230 Park Avenue New York NY 10169

Phone Number: (212) 850-6220 Fax Number (212) 850-6221

Domestic Representative

NIMS, HOWES, COLLISON, HANSEN & LACKERT

271

FACSIMILE COVER PAGE

JOHNSON & ASSOCIATES

ATTORNEYS AT LAW

950 THIRD AVENUE New York, New York 10022 Telephone (212) 808-9100 Facsimile (212) 808-5536

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Date:

September 16, 2007

Total pages:

5

Deliver to:

William R. Hansen, Esq.

Firm/Company:

Lathrop & Gage, L.C.

Facsimile number:

(212) 850-6221

From:

Bruce D. Johnson, Esq.

Message

Attorneys At Law

950 Third Avenue New York, New York 10022 Telephone (212) 808-9100 Facsimile (212) 808-5536

September 16, 2007

William R. Hansen, Esq. Lathrop & Gage, L.C. 230 Park Avenue, Suite 1847 New York, New York 10169

By Facsimile Only

Re: Applied Technology Limited v. Watermaster of America, Inc.

07 CV 6620 (LTS)

Dear Mr. Hansen:

John Fetter and Fetter & Henderson (Pty) Ltd. have just provided us with the attached letter from you to them, dated September 1, 2004, in which you stated, "We would be pleased to continue to represent you after September 1, 2004, as we have done in the past," and with their attached written consent, also dated September 1, 2004, to your continued representation of them and to representation of them by Lathrop & Gage, L.C. Mr. Fetter and Fetter & Henderson (Pty) Ltd. have assured me that they have taken no action to terminate those representations and that they never received any communication terminating those representations.

Thus, John Fetter and Fetter & Henderson (Pty) Ltd., along with Applied Technology Limited. presently are your clients. All of the parties in the above-referenced action, with the exception of the defendant, are your present clients. You have sued your present clients without their consents. And, you are refusing to withdraw from a lawsuit in which you have such three present clients on behalf of another present client. For those reasons, it is compulsory that you and Lathrop & Gage, L.C. withdraw as attorneys of record for Watermaster of America, and in the above-referenced action immediately.

You may wish to consider placing your carrier on notice.

Very truly yours,

BRUCE D. JOHNSON

Attachments

SE FG Case 1:07-c0-06620-1075-000F Document 25-7 Filed 12/6/13/2907 Page 15 of 18

FRUM : FETTER % - ENDERSON PTY LID. FAX NO. :+27 11 463-2379 16 Sep. 2007 02:114 443

-819. 1.2004 3:22FM

NO. 877 s

To:

John Fetter

FORM/COMPANY:

Fetter & Henderson

FACSIMILE NUMBER:

011-27-11-463-2379

CONFIRMATION TELEPHONE:

FROM:

William R. Hansen, Esq.

TOTAL # OF PACES:

3

(INCLUDING COVERSHELT)

FETTER & HENDERSON PTY LTD. FAX NO. :+27 11 463-2379 € 21/04 3:23PM

16 Sep. 2007 32: .: NO. 877

Dear John:

As we discussed, on September 1, 2004 we joined Lathrop & Gage L.C. and have opened the Fine's New York Office. We would be pleased to continue to represent you after September 1, 2004, as we have in the past. If you agree, please complete the enclosed letter to Duane Morris LLP instructing them to release your files to Lathrop & Gage.

We have arranged to have movers make the physical switch in the evening of September 8, 2004. If you are able, please forward your instructions of transfer in the form of the attached letter prior to that date, by fax, if possible.

We are excited to be with Lathrop & Gage. The following attorneys will be with the Firm starting on September 1, 2004:

> William R. Hansen Elizabeth Atkins Bridget.A. Short Gianfranco G. Mitrione Bemadette R. McGlynn Bert A. Collison Oliver P. Howes, Jr.

Our new office address is:

230 Park Avenue, Suite 1847 New York, New York 10169 (212) 986-2825

Effective September 17, 2004, you may reach us at:

(212) 850-6220 (main office number) (212) 850-6221 (main fax number)

We will be supplying you with our individual direct telephone numbers and e-mail communication information shortly. Beginning on September 1, 2004 until September 8, 2004. picase call Lathrop & Gage main number 1-800-476-4224 and ask the operator to direct your call to Jeanette Linville. Beginning September 9, 2004, you may reach us at (212) 986-2825.

If you have any questions, please call me,

William R. Hansen

whansen@lathropgage.com

Filed: 121/13/2007

Page 17 of 18

FYCH : FETTER & HENDERSON PTY LTD.

FAX NO. :+27 11 463-2379

16 Sep. 2207 02: .:

EF. 1.2064 9:23PM

KO, 877

CLIENT AUTHORIZATION FOR RELEASE OF FILES

To: Gregory P. Gulia, Esq. DUANE MORRIS LLP 380 Lexington Avenue New York, NY 10168 Fax (212) 692-1021

I/We hereby request and authorize you to transfer all of my/our original documents, and such other files as are necessary in the ongoing legal matter(s) in which I/we continue to need legal representation, to William R. Hansen, Esq., Lathrop & Gage, 230 Park Avenue, New York, New York 10169. L'We understand and agree that mmediately upon transfer of the files, such other counsel as I/we may designate will be responsible for my/our representation from that time forward and, in the case of litigation, shall enter their appearance and Duane Morris LLP will withdraw as my/our counsel for all purposes in this/these matter(s). I/We acknowledge that services randered and costs incurred through the date of transfer were rendered and incurred by Duane Morris LLP and that all constanting fees and expenses due to Duane Morris LLP for services performed or costs incurred prior to the date of transfer, including but not himited to charges for retrieval services for material stored off-site which will be paid in full within 30 days of receipt of any Duane Mouris LLP invoice. In the event it should become necessary, it is agreed that Duane Motris LLP may have access to its former files upon reasonable notice. By signing this authorization I, on behalf of the client(s) to which this form relates, agree and acknowledge that as of the date here of the sewyer-citent relationship with Duane Morris LLP has concluded except as may be expressly reserved herein. Such conclusion does not extinguish or modify the obligation(s), if any, concerning fees and expenses. I also under stand and agree that any material stored off-site will be retrieved and included in the file transfer authorized by this document

Date: September 1, 2004

Client Name(s):

By:

Johan C Fitter (Fetter

Name

Title

(Also for and on behalf of

Fetter & Henderson (Pty) ord

Applied Technology Limited)

By Fax - \$16-292-2001 William R. Hansen, Eac. Lathrop & Gage

CC.

FAX NO. : FETTER R H-NDERSON PTY LTD. FAX NO. :+27 11 463-2379

16 Sep. 2007 02:1) - 20



MANUFACTURER: FETTER & HENDERSON (PTY) LTD. P.O. BOX 67080, BRYANSTON 2021 JOHANNESBURG, SOUTH AFRICA TELEPHONE (011) 463-2379

INTERNATIONAL +27 11 463-2379

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NAME AND ADDRESS OF PURCHASER:		SHIP/AIRCRAFT/RAIL/ROAD:		
		SPECIAL INSTRUCTIONS: METHOD OF PAYMENT:		
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QUANTITY	DESCRIPTION		AMOUNT	
		TOTAL:		